

Kentucky Agricultural Development Board

Meeting Minutes

March 15, 2002

The Kentucky Agricultural Development Board met on Friday, March 15, 2002, at 10:00AM, in the Brown-Forman Room of the Kentucky History Center. Commissioner Billy Ray Smith, Vice Chair, called the meeting to order, and the secretary called the roll.

Members Present:

Commissioner Billy Ray Smith, Vice Chairman; John-Mark Hack, Executive Director; Vickie Yates Brown; Daniel Case; Wayne Hunt; Dean Scott Smith; Sam Moore; Eddie Sellers; and Smith Mitchell designee for Secretary Gene Strong.

Members Absent:

Governor Paul E. Patton; Larry Clay; Seth Conner; Susan Harkins; Sam Lawson; Willa Poynter; and Mike Slaughter.

Others Present:

Sharon Burton, The Farmer's Pride; Hal Stopfel, Creative Alliance; Victoria Burke, Community Farm Alliance; and Larry Jones, UK.

Staff Present:

David Bratcher, Gordon Duke, Sandra Gardner, DeVon Hankins, Jeff Harper, Rhodes Johnston, Kara Keeton; Bill McCloskey, Jeff Mosley, Joel Neaveill, Lisa Thomas, Kim Tompkins, Angela Utterback; and Stephen Yates.

Notification of Media:

Commissioner Smith received verification from John-Mark Hack that the media had received sufficient notice regarding the ADB meeting.

Minutes of the February 15, 2002 Meeting:

Mr. Moore asked that the minutes be amended as follows: Page 9; paragraph 2; lines 2 & 3: Change KFB to Shelby County Farm Bureau.

The minutes were approved as amended.

Executive Director's Report:

John-Mark Hack, Executive Director, presented his monthly report.

The director reviewed the day's agenda and advised that the meeting should be reasonably short as there were no state projects recommended for funding.

Mr. Hack advised that the balance sheet would be distributed after the ADB's actions of the day and would incorporate board actions into the report.

Director Hack updated the ADB on the Farmer Awareness Campaign. He advised that Public Service Announcements had been distributed to both TV and radio stations statewide and that a small amount of TV air time was purchased to air the PSA. Small local newspapers are giving the board activities lots of attention, especially in printing the media releases area specific.

Next, he updated the board on the legislative issues as follows:

Senator Vernie McGaha's SB 201 passed out of committee and was placed on the consent calendar. It should be passed out of the Senate on March 18 and referred to the House Agriculture and Small Business Committee where it is not expected to pass.

The House Budget retrained the same level of funding for the ADB as before, with two amendments; 1) allow the county councils 4%, but not to exceed \$15,000 for administrative costs; and 2) \$1.6 million for increase in extension agent salaries.

Senate A & R is expected to vote on 3/26. Conference Committee will make most of the changes.

The Long-Term Plan was released on March 11. Copies will be mailed to county council members and others soon.

Finally, the GOAP, the Workforce Development Cabinet, and the UK Cooperative Extension Service will host two training sessions entitled "Farm Family Education Expo, Skills for a Changing Future." Topics for the workshops include "Developing Your Business Ideas, Marketing Yourself, How to Conduct a Job Search, and Tips for Finding the Right Job." These workshops will be held on March 26, at the Blue Licks Battlefield State Park, and March 28, at the Metcalfe County Enrichment Center.

Referred to Project Review: Application Numbers 20130 – 20210

Danny Case moved with a second from Sam Moore that projects numbered 20131 – 20210 be referred to Project Review Committees. The motion passed without objection.

<i>Appl #</i>	<i>Project Name</i>
20131	Henry Co. Cattleman's Association
20132	Henry Co. Cattleman's Association
20133	Shelby Co. Cattlemen's Assoc.
20134	The Family Farm Co-Op Assoc.
20135	Jessamine County Vineyard Assoc. Inc.,

20136	Taylor County Dead Animal Removal
20137	Central KY Meat Goat Assoc.
20138	Green River Cattle Handling Facilities
20139	Green River Beef Genetic
20140	Taylor County Forage Improvement
20141	DUPLICATE OF 20123
20142	Taylor County Fair Assoc.
20143	Goodin View Farms, Inc.
20144	Fayette County Conservation District
20145	Meade County Ag Diversification Committee
20146	Carroll County Ag. Development Fund, Inc.
20147	Fayette County Cattlemen's Assoc.
20148	Lincoln County High School
20149	David and Judy Reliford
20150	Family Farm Project Cooperative Assoc.
20151	Menifee County Conservation District
20152	Skyblue Farm Gamebirds
20153	Goodin View Farms, Inc.
20154	Kentucky Ketch-Forage
20155	Lover's Leap Vineyards
20156	Mountain Cattlemen Association
20157	Mountain Cattlemen Association
20158	Meade County Riverport Authority
20159	Kentucky Ketch
20160	Fort Harrod Goat Association
20161	David Croshaw
20162	Marshall County Conservation District
20163	Marshall County Conservation District
20164	Hardin County Goat Producers' Assoc.
20165	Green River Livestock Handling Equipment
20166	Garrard County 4-H Council
20167	Partners for Family Farms
20168	Ricky and Angela Davis
20169	Green River Beef Genetic Improvement
20170	Taylor County Fair Association
20171	Central Ky Meat Goat Association
20172	Taylor County Forage Improvement
20173	Taylor County Tree Planter
20174	Taylor County Dead Animal Removal
20175	John Hardin High School Agriscience Department
20176	Three Springs Farm Orchard and Greenhouse
20177	Madison County Genetic Improvement
20178	Best Family Farms
20179	Madison County Pipeline and Fencing
20180	Madison County Cattle Handling
20181	Madison County Model and Goat Diversification
20182	Bernheim
20183	Apolimmune
20184	Shirey Farms
20185	Amerson Farm Orchard
20186	Jackson Purchase Diversification Program
20187	Carter Co. Forage Program
20188	Harrison County Farm Bureau Mapping Committee
20189	Harrison County Beef Cattle Assoc.
20190	Harrison County Beef Cattle Association
20191	Goodin View Farms, Inc
20192	Marion Co. Dead Animal Removal
20193	Marion Co. Diversification Program
20194	Trimble County Cattlemen's Association, Inc.

20195	Trimble County Cattlemen's Association, Inc.
20196	Muhlenberg Bremen Elementary School
20197	Muhlenburg South High School Ag. Dept.
20198	Muhlenberg North High School Ag. Dept.
20199	Grayson County Conservation District
20200	Triple T. Greenhouse, Inc.
20201	Spencer County Soil Conservation District
20202	Spencer County Farm Bureau
20203	Spencer Co. Diversification
20204	Grayson County Cattlemens Association
20205	Boyle Cattlemen's Association
20206	Casey County Cattlemen's Assoc. Inc.
20207	Otis Bryant & Son, Inc.
20208	Boyle County Cattlemen's Assoc.
20209	Fort Harrod Goat Association
20210	River Valley Winery

Project Review Committee Reports:

Sam Moore and Vickie Yates Brown presented the Committees' reports. The Review Committees met on March 15, and made the following recommendations:

Approved Programs:

Ms. Brown stated that the Committees' recommended funding for the following Programs:

<i>County</i>	<i>Board Mtg Date</i>	<i>Appl #</i>	<i>Project Name</i>	<i>County Funds</i>
<i>Cattle Handling</i>				
Allen	3/15/2002	20117	Allen Co. Farm Bureau	\$60,000.00
Cumberland	3/15/2002	20107	Cumberland County Farm Bureau	\$20,800.00
Gallatin	3/15/2002	20087	Gallatin Co. Livestock Assoc.	\$50,000.00
Henry	3/15/2002	20082	Henry Co. Cattleman's Association	\$84,000.00
Larue	3/15/2002	20113	Larue Co. Beef Cattle Association	\$70,000.00
Magoffin	3/15/2002	20088	Magoffin Co. Cattle Handling Cost-share Program	\$37,800.00
Rowan	3/15/2002	20126	Rowan Co. Extension Council	\$20,750.00
Shelby	3/15/2002	20133	Shelby Co. Cattlemen's Assoc.	\$46,000.00
Trimble	3/15/2002	20128	Trimble County Cattlemen's Association, Inc.	\$24,000.00

<i>County</i>	<i>Board Mtg Date</i>	<i>Appl #</i>	<i>Project Name</i>	<i>County Funds</i>
<i>Diversification</i>				
Cumberland	3/15/2002	20116	Cumberland Co. Farm Bureau	\$50,000.00
Henry	3/15/2002	20083	Henry Co. Ag. Diversification Assoc.	\$246,000.00
Shelby	3/15/2002	20111	Shelby Co. Ag. Diversification Program	\$150,000.00
Trimble	3/15/2002	20129	The Family Farm Project Co-Op	\$120,000.00

<i>County</i>	<i>Board Mtg Date</i>	<i>Appl #</i>	<i>Project Name</i>	<i>CountyFunds</i>
<i>Fallen Animal</i>				
Henry	3/15/2002	20078	Henry Co. Conservation District	\$11,652.00

<i>County</i>	<i>Board Mtg Date</i>	<i>Appl #</i>	<i>Project Name</i>	<i>CountyFunds</i>
<i>Forage</i>				
Carroll	3/15/2002	587	Carroll Co. Ag. Dev. Fund, Inc. - Forage	\$96,000.00
Henry	3/15/2002	20131	Henry Co. Cattleman's Association	\$84,000.00
Lewis	3/15/2002	20120	Lewis Co. Conservation District	\$150,000.00
Menifee	3/15/2002	20024	Menifee County Conservation District	\$105,000.00
Trimble	3/15/2002	20195	Trimble County Cattlemen's	\$150,457.00

<i>County</i>	<i>Board Mtg Date</i>	<i>Appl #</i>	<i>Project Name</i>	<i>CountyFunds</i>
<i>Genetic Improvement</i>				
Cumberland	3/15/2002	20038	Clinton-Cumberland Cattlemen's Assoc.	\$20,800.00
Henry	3/15/2002	20132	Henry Co. Cattleman's Association	\$44,000.00
Magoffin	3/15/2002	20089	Magoffin Co. Cattle Genetic Improvement Program	\$9,200.00
Menifee	3/15/2002	20100	Menifee Co. Conservation District	\$53,200.00
Shelby	3/15/2002	20028	Shelby County Cattleman's Association	\$36,000.00
Trimble	3/15/2002	20194	Trimble County Cattlemen's Association, Inc.	\$12,000.00

<i>County</i>	<i>Board Mtg Date</i>	<i>Appl #</i>	<i>Project Name</i>	<i>CountyFunds</i>
<i>Goat Diversification</i>				
Green	3/15/2002	20114	Central KY Meat Goat Producers Inc	\$40,000.00
Henry	3/15/2002	20096	Henry Co. Boer Goat Assoc.	\$30,798.00
Magoffin	3/15/2002	20090	Magoffin Co. Goat Diversification Program	\$26,250.00
Morgan	3/15/2002	20037	Morgan Co. Goat Improvement Assoc.	\$30,000.00
Muhlenberg	3/15/2002	20106	Western Ky Goat Producers Assoc.	\$4,000.00

Danny Case moved with a second from Eddie Sellers to adopt the Committees' recommendation. The motion passed without objection.

Amendments to Model Programs:

Mr. Hack advised that staff recommends amending four of the six model programs. These amendments do not apply to the Fallen Animal Removal Program, since this program will expire on June 30, 2002. The language below addresses the retroactivity of county model programs and gives a specific date in which the administrative entity can refer to when attempting to determine whether or not a past expense is eligible.

Staff feels as if this would bring uniformity to the model programs. If approved, then these amendments would only pertain to future model programs adopted by counties.

Forage Improvement and Utilization Program

Under the "Guidelines for Local Agency Administration and Producer Application" insert the following:

The administrative entity may choose to include expenses for cost-share reimbursement on a retroactive basis. However, this retroactive date shall not be prior to March 16, 2001.

Under "Producer Funding Guidelines" insert the following:

Eligible expenses may include those that were incurred after the adoption of the program by the Board, March 16, 2001.

Cattle Handling Facilities Program

Under the "Guidelines for Local Agency Administration and Producer Application" insert the following:

The administrative entity may choose to include expenses for cost-share reimbursement on a retroactive basis. However, this retroactive date shall not be prior to June 15, 2001.

Under "Producer Funding Guidelines" insert the following:

Eligible expenses may include those that were incurred after the adoption of the program by the Board, June 15, 2001.

Goat Diversification Program

Under the "Guidelines for Local Agency Administration and Producer Application" insert the following:

The administrative entity may choose to include expenses for cost-share reimbursement on a retroactive basis. However, this retroactive date shall not be prior to August 17, 2001.

Under "Producer Funding Guidelines" insert the following:

Eligible expenses may include those that were incurred after the adoption of the program by the Board, August 17, 2001.

Agricultural Diversification Program

Under the "Guidelines for Local Agency Administration and Producer Application" insert the following:

The administrative entity may choose to include expenses for cost-share reimbursement on a retroactive basis. However, this retroactive date shall not be prior to September 21, 2001.

Under "Producer Funding Guidelines" insert the following:

Eligible expenses may include those that were incurred after the adoption of the program by the Board, September 21, 2001.

Danny Case moved with a second by Dean Smith that the Board adopt the staff recommendation. The motion passed without objection.

Projects Recommended for Funding:

871Lewis County Vegetable Producers Association

State Funds:	\$0.00	County Funds:	\$99,030.00
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Ms. Brown advised that this cooperative has been operating since 1999 and wishes to buy 4 acres of property. The applicant will own the property and the contract will contain a reversionary clause indicating that the money will be returned to the ADB if terms are not met. Ms. Brown moved with a second by Sam Moore that the board adopt the committee's recommendation.

Eddie Sellers moved with a second by Wayne Hunt to amend the reversionary clause to state "to the benefit of Lewis County agriculture" and that the ten year limit be removed.

The motion passed as amended by voice vote.

20073Franklin County Conservation District

State Funds:	\$0.00	County Funds:	\$3,000.00
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Ms. Brown moved with a second from Eddie Sellers that the board adopt the committee's recommendation. The motion passed without objection.

762Robertson Co. Board Of Education

State Funds:	\$0.00	County Funds:	\$14,420.00
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Mr. Moore moved with a second from Wayne Hunt that the board adopt the committee's recommendation. The motion passed without objection.

20097Henry Co. 4-H Extension Council

State Funds:	\$0.00	County Funds:	\$5,000.00
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Mr. Moore moved with a second from Danny Case that the board adopt the committee's recommendation. The motion passed without objection.

20103All Creatures Veterinary Care

State Funds:	\$0.00	County Funds:	\$7,250.00
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Mr. Moore moved with a second from Dean Smith that the board adopt the committee's recommendation. The motion passed without objection.

20104All Creatures Veterinary Care

State Funds: \$0.00

County Funds: \$1,487.00

Mr. Moore moved with a second from Smith Mitchell that the board adopt the committee's recommendation. The motion passed without objection.

20115Grayson Co. High School Ag. Dept.

State Funds: \$0.00

County Funds: \$2,500.00

Mr. Moore moved with a second from Wayne Hunt that the board adopt the committee's recommendation. The motion passed without objection.

Amended Projects:

Mr. Moore advised that the committee recommended approval for requested changes for all projects.

App #	439
Applicant Name	Lincoln County Livestock Improvement Cooperative Association, Inc.
Amount Approved	\$100,000
Date	8/17/01
Requested Change	Add \$40,000 to the Forage Program for a total of \$140,000
Recommendation	Approval

App #	558
Applicant Name	Lincoln County Livestock Improvement Coop Association, Inc.
Amount Approved	\$70,000
Date	09/21/01
Requested Change	Add \$90,000 to the Cattle Handling Program for a total of \$160,000
Recommendation	Approval

App #	396
Applicant Name	Fleming County Forage administered by Buffalo Trace ADD
Amount Approved	\$105,000
Date	8/17/01
Requested Change	Additional \$105,000 for a total Forage Program of \$210,000
Recommendation	Approval

App #	687
Applicant Name	Rowan County Fiscal Court
Amount Approved	\$26,750
Date	11/30/2001
Requested Change	Request should have been for \$53,500 adding an \$26,750 to the approved amount
Recommendation	Approval

App #	723
Applicant Name	Buffalo Trace ADD for Lewis County Handling Program
Amount Approved	\$27,500
Date	12/21/2001
Requested Change	Add \$22,500 for a total Handling program of \$50,000
Recommendation	Approval

App #	724
Applicant Name	Buffalo Trace ADD for Lewis County Genetics Program
Amount Approved	\$41,250
Date	12/21/2001
Requested Change	Add \$33,750 for a total Genetics program of \$75,000
Recommendation	Approval

App #	677
Applicant Name	Jackson County Cattlemen's Association
Amount Approved	\$25,000
Date	11/30/2001
Requested Change	Additional \$40,000 for a total Handling program of \$65,000
Recommendation	Approval

App #	20046
Applicant Name	Meade County Cattlemen's Association, Inc.
Amount Approved	\$35,000
Date	02/15/2002
Requested Change	Add \$1,750 for Adm Costs of the Handling Program total \$36,750
Recommendation	Approval

App #	20047
Applicant Name	Meade County Cattlemen's Association, Inc.
Amount Approved	\$35,000
Date	02/15/2002
Requested Change	Add \$1,750 for Adm Costs of the Genetics Program total \$36,750
Recommendation	Approval

App #	113
Applicant Name	Garrard County Farm Bureau
Amount Approved	\$50,500
Date	04/20/2001
Requested Change	Add \$2,000 for Adm Costs of the Genetics Program total \$52,500
Recommendation	Approval

App #	742
Applicant Name	Owen County Farm Bureau Beef Committee
Amount Approved	\$5,300.
Date	12/21/2001
Requested Change	Clerical Error in amount approved, should have been \$53,000
Recommendation	Approval

App #	744
Applicant Name	Owen County Farm Bureau Beef Committee
Amount Approved	\$10,600.
Date	12/21/2001
Requested Change	Clerical Error in amount approved, should have been \$106,000
Recommendation	Approval

App #	429
Applicant Name	Washington County Cattlemen's Association
Amount Approved	\$155, 287
Date	08/17/02
Requested Change	Add \$62,115 to the original Genetics award for a total Genetic Program of \$217,402.00
Recommendation	Approval

Wayne Hunt moved with a second from Danny Case that the board approve the amendments. The motion passed without objection.

David Bratcher explained that at the May 2001 meeting the Board approved funding of this project. At the time of approval the Cooperative believed it would receive USDA grant funds as a line item in the federal budget. This did not happen; however, the Cooperative will borrow funds from a local lender with USDA guaranteeing the loan through the Rural Development Administration's Business and Industry program.

There are planning costs associated with the USDA application process and the Wayne County Council has agreed to allow up to \$10,000 of the funds it has committed to be used for these purposes, counting as match funds already expended by the Cooperative for expenses to date. The additional \$10,000 will be spent: \$4,000 to retain a consultant to prepare the USDA loan application; \$2,000 for additional legal expenses; and \$4,000 for engineering expenses and other consulting fees.

The original approval stipulated that no Agricultural Development Funds would be expended until all other funds were in place, but this also took into consideration a strong likelihood of federal grant funds being committed by the end of 2001. Given that those grant funds are not likely available in the near term, this request for county funds seems reasonable, particularly since there are costs necessary to develop the loan guaranty application, and since there already are costs incurred that can serve as the match.

Staff recommends the approval of the modification request.

Mr. Moore moved with a second from Eddie Sellers to approve the modification. The motion passed by voice vote.

No Funding:

Mr. Moore advised that the committees' recommended no funding for the following projects:

<i>App #</i>	<i>Project Name</i>	<i>Application County</i>
20050	The Elements Enterprises LLC	State
20054	Henry Co. Extension Service	Henry
20077	Clinton County Ag Advancement Council	Clinton
20079	Henry Co. 4-H Extension Council	Henry
20084	Franklin Co. Conservation District	Franklin
20091	Franklin Co. Conservation District	Franklin
20093	Franklin Co. Conservation District	Franklin
20102	Robert D Ison	Morgan
20109	Kenneth Brammell	Carter
20110	Ky Poultry Growers Co-Op	State
20112	Jeffersontown Farmers Market	State
20119	The Voice of Thunder Church and Ministries, Inc.	State
20121	Dept. Of Fish & Wildlife Resources	Adair
20122	Dept. Of Fish & Wildlife Resources	Green
20123	Dept. Of Fish & Wildlife Resources	Taylor

Mr. Hunt moved with a second by Ms. Brown to adopt the committees' recommendation. The motion passed without objection.

Other Business:

Mr. Hack advised board members that the April 19 meeting of the ADB would be held at the Quicksand Experiment Station in Jackson. Members are invited to arrive on Thursday at noon for lunch and a tour of Robinson Forest and the Heifer Development Project. Members should contact Lisa Thomas to arrange for overnight accommodations.

Commissioner Smith discussed the critical shortage of Veterinarians across the state.

Being no further business before the Board, the meeting adjourned.